UNITED
NATIONS

E

Economic and S ocial
Council

Distr.
GENERAL

E/ECE/1350
19 February 1997

ORIGINAL : ENGLISH

ECONOMIC COMMISSION FOR EUROPE

Fifty-second session
(Provisional agenda item 5)

SUMMARY DOCUMENT

Note prepared by the secretariat

1. This note outlines the highlights of 1996 activities for each area of work as well as the main objectives and expected outcome for 1997.

2. During the past year, the ECE secretariat has had to face difficulties related to the freeze on external recruitment and the blocking of a number of vacant posts. Despite these difficulties most foreseen meetings were held and documents prepared. However, this has been achieved at the detriment of the time which staff can invest in keeping up with research and new developments in their respective fields. If this situation continues, the quality of the work and the capacity to respond to new requests and changing realities will be seriously affected.

3. The reform of the ECE partly addresses these difficulties by focusing resources on a reduced number of activities. At the same time, unfreezing external recruitment and the vacant posts is a key condition for implementing the reform successfully.

4. The year 1997 will be a transitional one for those areas of work which will be the most affected by the reform. The note on the implementation of the reform, as approved by the Commission (E/ECE/1354), provides the necessary guidance to ensure a smooth, effective and swift transition period.

GE.97-20442

5. In 1996, further steps were taken to improve the information and communication strategy. The presentation of "ECE Highlights" has been modernized and a series of interviews launched under the title "Spotlights", issued both in English and French. In less than one year, consultation of the UN/ECE home page on Internet has almost tripled. Press releases have been made more user friendly and are consequently more frequently taken up in journalistic articles. Some are now also issued in Russian. These secretariat efforts need to be complemented by those of member States - both technical ministries and ministries of foreign affairs - in order to increase the visibility of ECE work with the general public and to draw the attention of the political hierarchy to its usefulness for the advancement of integration processes in Europe. The Jubilee Session will provide an exceptional opportunity to publicize ECE work and activities, as well as its specific role and complementarities with other regional institutions.

ENVIRONMENT (Sub-programme 1)

I. HIGHLIGHTS OF 1996 ACTIVITIES

6. Pursuant to decision F (51), the major activities of the Committee on Environmental Policy can be summarized as follows.

7. The Committee considered thoroughly its strategic role in regional environmental policy-making, and consequently fully revised its programme of work for 1996-1998 basing it on three pillars: (i) participation in the two major international cooperative processes; the "Environment for Europe" process and the regional promotion of Agenda 21; (ii) the development and carrying-out of environmental performance reviews; and (iii) the development of and follow-up to regional environmental conventions and protocols. The tasks of the Committee's Bureau were redefined giving it a stronger role in preparations for and follow-up to the Committee's decision-making, including monitoring the use of resources and coordinating work on environment with relevant major international governmental and non-governmental organizations.

8. As a follow-up to the third Ministerial Conference "Environment for Europe" (Sofia, October 1995), the Committee decided to establish an Ad Hoc Preparatory Working Group of Senior Officials for the preparation of the fourth Ministerial Conference (Århus, June 1998) and an Executive Committee for the preparation of the work of this Working Group. The Working Group and the Executive Committee are serviced by the ECE secretariat. The Executive Committee met three times in 1996, and the Working Group will have its first meeting in May 1997.

9. The Committee screened further action required for the implementation of the Environmental Programme for Europe and agreed on some concrete sub-activities to its work-programme. The Committee also established the Ad Hoc Working Group for the preparation of a draft Convention on access to environmental information and public participation in environmental decision-making. The Working Group met three times in 1996. In addition, the Committee established a Task Force to prepare a proposal for a European strategy to phase out leaded petrol, and decided to prepare a White Paper on energy conservation and develop guidelines to assist member Governments to

formulate national strategies and policy aims and to promote international cooperation for improving energy efficiency.

10. The Committee extended the Environmental Performance Review programme to further non-OECD countries of the region. The EPRs of Belarus (jointly with the OECD) and of Slovenia are nearing completion. The tentative outlines of the reviews of Albania and the Republic of Moldova have been agreed, and the review process has started.

11. The Committee and its Bureau reviewed and followed the ratification of or accession to the ECE environmental conventions and the preparation of new legal instruments. The status and difficulties were, in particular, considered in informal consultations with the representatives of the countries in transition organized in the context of Committee's meetings. The Convention on the Protection and Use of Transboundary Watercourses and International Lakes entered into force in October 1996.

12. Within the framework of the Convention on Long-range Transboundary Air Pollution, negotiations have started on three new protocols: a multi-pollutant/multi-effects protocol dealing with nitrogen oxides and related substances, a heavy metals protocol initially focusing on cadmium, lead and mercury, and a persistent organic pollutants (POPs) protocol. Preliminary agreement on the inclusion of 15 POPs has been reached. The Governing Council of UNEP at its 19th session agreed that due account should be taken of the ECE work on POPs in the preparation of a global agreement on these substances.

13. The Committee's Bureau followed the preparations for the Regional Conference on Transport and Environment (Vienna, November 1996) and encouraged national environmental experts to participate in the preparatory work.

14. Pending the outcome of the special session of the General Assembly on Sustainable Development in June 1997, the Committee considered, provisionally, its possible future role in reviewing and reporting on region-wide progress in the implementation of Agenda 21. The Committee noted with interest that the need to decentralize the follow-up in the future had been recognized at the meetings of the Commission on Sustainable Development.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

15. In 1997 emphasis will be on the preparation of the fourth Ministerial Conference "Environment for Europe" including substantive work on, inter alia, public participation, implementation of the Environmental Programme for Europe, preparation of a strategy to phase out leaded petrol, energy conservation and sustainable consumption patterns. Environmental performance reviews will also be continued. The Committee selected Lithuania, Ukraine and Kazakstan for reviews beginning in the course of 1997 or early 1998. The further strengthening of the EPR process depends primarily on the availability of extrabudgetary funds. The implementation of regional environmental conventions will also be continued. The Convention on Environmental Impact Assessment in a Transboundary Context is expected to enter into force.

TRANSPORT (Sub-programme 2)

I. HIGHLIGHTS OF 1996 ACTIVITIES

16. Pursuant to decision G (51), transport activities in 1996 can be summarized as follows.

17. As a follow-up to the Second Pan-European Transport Conference (Crete, March 1994) a number of actions continued to be undertaken by the Inland Transport Committee and its subsidiary bodies in the respective areas. The secretariat, as a member of the relevant Steering Committee, was involved in the preparation of the Third Pan-European Transport Conference (Helsinki, 23-25 June 1997) with a view to making the Conference aware of the achievements of the Commission in the field of transport.

18. The Preparatory Committee of the 1997 Regional Conference on Transport and the Environment continued to elaborate, on the basis of secretariat proposals, the Draft Declaration and the Draft Joint Programme of Action to be issued by the Conference. Progress was also made in elaboration of the legal instruments to be adopted or signed on the occasion of the Conference.

19. A first package of proposals for amendments to the Customs Convention on the International Transport of Goods under Cover of TIR Carnets (TIR Convention) has been prepared covering controlled access to the TIR regime, a legal basis for an extensive EDI control system for TIR Carnets and the creation of a TIR Executive Board. It may be expected that this package will be adopted by the Contracting Parties during the first half of 1997.

20. Progress was also made towards the development of a new global agreement on vehicle regulations which would allow worldwide harmonization of the regulatory requirements to be applied to wheeled vehicles as well their equipment and parts. Such a global agreement would become parallel to the amended 1958 Agreement.

21. The European Agreement on Main Inland Waterways of International Importance (AGN) has already been signed by one member State, Luxembourg, and a number of others have expressed their intention to sign. The organization of a signing ceremony on the occasion of the Third Pan-European Transport Conference in Helsinki is being considered.

22. It was decided that the new legal instrument concerning combined transport on inland waterways and coastal shipping lines should take the form of a Protocol to the European Agreement on Important International Combined Transport Lines and Related Installations (AGTC). This Protocol has been adopted by the Inland Transport Committee and will be opened for signature from 1 to 30 November 1997.

23. Work began on the draft text of the European Agreement Concerning the International Carriage of Dangerous Goods by Inland Waterways (ADN). In spite of the progress made a considerable amount of work still remains to be done on the special annexes concerning transitional measures and a technical annex

regarding the conditions and methods applicable to inspections, surveys, certificates and checks.

24. The TEM and TER Projects continued to implement activities aimed at the coordinated development of international road and rail as well as combined transport infrastructure in central and eastern Europe. This included the updating of the respective networks, development of respective data bases, elaboration of pre- and feasibility studies and a number of workshops and training seminars. These activities benefited from contributions by donor Governments and international institutions and organizations.

25. Assistance to countries in transition continued to receive great attention from the Inland Transport Committee and its subsidiary bodies. Two workshops were organized in 1996: on the improvement of statistics on the Transport of Goods by Road (Berlin, March 1996) and on international transit traffic facilitation (Tashkent, October 1996).

26. A new P.2 post, redeployed in 1996 to the area of transport of dangerous goods, has been filled on a temporary basis because of the recruitment freeze.

II. OBJECTIVES AND EXPECTED OUTPUT FOR 1997

27. The Regional Conference on Transport and Environment will be held in Vienna from 12 to 14 November 1997 under the auspices of ECE. The Conference is expected to adopt a Declaration stating the commitment of ECE Governments to develop their transport systems in a way which is compatible with sustainable development. The Conference is also expected to adopt a Programme of Action, at both national and international levels, aimed at pursuing that objective further. Finally, the Conference will provide some legal value added; it is currently expected to adopt amendments to the 1971 European Agreement supplementing the 1968 Vienna Convention on Road Traffic with a view to the introduction of strict environmental standards for heavy commercial vehicles used in international transport. On the occasion of the Conference two new legal instruments, one concerning periodic technical inspections of motor vehicles and another concerning combined transport on inland waterways and coastal shipping, are expected to be signed.

28. In the short and medium term the Committee is expected to continue with the development of international legal instruments in order to provide a sound technical and legal framework for the facilitation of international transport while improving its safety and environmental performance. In particular the updating of legal instruments will concern the infrastructure Agreements, the regulatory field of transport and the procedures and administrative formalities and documents for facilitating border crossing.

29. In accordance with the objectives being pursued by the Committee and its subsidiary bodies, the various outputs which may be expected cover likewise a wide range of subjects, and embody, inter alia: amendments to the AGR, AGC, AGT, AGN Agreements; amendments to the legal instruments and recommendations in the fields of road traffic safety and other road transport aspects; organization of the Third Road Safety Week in the ECE region; new ECE Regulations annexed to the 1958 Agreement and amendments to the existing ones;

a new, global agreement on vehicle regulations, parallel to the 1958 Agreement; amendments to the TIR Convention, 1975 and the establishment of an intergovernmental structure for the Governmental control of the TIR regime; a new Convention on Customs transit for railway transport allowing for a possible administrative and legal link of the COTIF and SMGS procedures; amendments to ADR, RID and ADN; a restructured text of ADR and RID, in line with the Model Regulations annexed to the UN Recommendations on the Transport of Dangerous Goods; a new legal instrument on the International Carriage of Dangerous Goods by Inland Waterways (ADN); analyses of regulatory measures in the transport sector having an impact on the needs for transport infrastructure; the establishment of indicators for the transport sector, permitting monitoring of the progress made in transition countries; preparation of various publications on transport statistics.

STATISTICS (Sub-programme 3)

I. HIGHLIGHTS OF 1996 ACTIVITIES

30. The Conference of European Statisticians made further progress in coordinating international statistical work performed by the various international organizations active in the ECE region. It held its 1996 plenary session in Paris at the invitation of OECD, a large part of which was devoted to the review of the integrated presentation of planned future international statistical work. The Conference decided to streamline further its consideration of the integrated presentation by focusing greater attention at each plenary session on four to six programme elements which member States have indicated warrant being studied in greater depth. The Conference will use this new approach for the first time at its 1997 plenary session.

31. The Bureau of the Conference has agreed to conduct in the future an in-depth review of the Conference's work programme on a regular basis over a two-year cycle, such that three of the six major areas of programme activities will be reviewed each year. At its October 1996 meeting it conducted in-depth reviews of programme activities 1 (Organization and operation of statistical services), 2 (Technical infrastructure and other cross-cutting issues) and 4 (Social and demographic statistics), and the outcome of those reviews will be reported to the Conference at its 1997 plenary session.

32. The Conference concluded two years ago that in programme elements where several international organizations were actively working it would be useful to ask one agency to serve as the "Rapporteur" for the Conference in that field. Rapporteurs are intended to prepare short issue- and strategy-oriented reports for the Bureau, outlining the progress being made collectively by the agencies in the objectives and outputs that countries have specified for the field of statistics concerned. The Rapporteurs should also advise the Bureau through their candid reports how progress might best be achieved. The Conference has now arranged to have Rapporteurs appointed for most of the programme elements. ECE and Eurostat are rapporteurs for about a dozen programme elements each, OECD for about eight, and ILO, IMF, UNESCO, UNICRI and WTO for others.

33. The secretariat made further headway during the year in establishing a flow of essential data on the economies of the countries in transition to support the analytical work of the Economic Survey for Europe.

34. The statistical assistance which the Statistical Division had been giving to countries in transition in the fields of national accounts and measurement of the hidden economy, interrupted early in 1996 by the death of the Regional Advisor, will resume in spring 1997. Similarly, the ECE/UNDP project launched in 1995 to improve the capacities of national statistical offices in countries in transition to provide much needed social and demographic statistics was suspended by UNDP in December 1996 because the financial contributions it anticipated receiving from donor countries did not materialize.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

35. Having finished its in-depth review of all its programme activities, the Conference will continue to improve the integrated presentation of statistical work in the ECE region, notably by expanding its coverage of updated information on international planned future work and by listing issues which need the Conference's attention and proposing decisions to be taken. Some guidance on management and policy issues is expected to come out of the substantive discussion which will take place at the annual plenary in June and which will focus on the impact of information technology developments on statistical operations.

36. The Conference also intends to continue the transfer of knowledge concerning statistical priorities and practices from market economy countries to countries in transition in the ECE region and to ensure that activities undertaken by international and supranational organizations in this field are carried out in a coordinated and efficient manner. A number of meetings planned for 1997 in the area of economic, social and environment statistics as well as in the field of information technology, data collection and dissemination reflect priority concerns of transition countries.

37. Substantial progress will be made in 1997 in ECE's collection of up-to-date economic and social statistics from countries in transition and in the electronic data interchange with member countries. The questionnaires piloted in 1995 and 1996 have been improved and are now major inputs to several ECE publications, notably the Economic Survey and the ECE Statistical Yearbook.

38. The recommendations for the 2000 round of population and housing censuses will be completed in 1997. They will provide international guidelines on topics, definitions, classifications and tabulations to use in the national censuses of all countries in the ECE region. The importance of these recommendations, which the Conference reviews every decade, is further increased by the fact that a number of countries in the region will be undertaking a census for the first time.

TRADE FACILITATION (Sub-programme 4)

39. At its forty-second session in September 1995, the Working Party on Facilitation of International Trade Procedures (WP.4) agreed to reorganize its

structure and activities including the restructuring of the Working Party into a Centre (Centre for Facilitation of Procedures and Practices for Administration, Commerce and Transport - CEFACT) to allow full participation of non-ECE member countries and international organizations. The Centre will report to the Committee on the Development of Trade and, if requested, present reports on its activities directly to the Commission (see para. 64 below). It was further agreed that the work would concentrate on policy issues and be reorganized with a streamlining of meetings to promote collaborative effort and delegate technical decisions to field experts.

40. The framework for representing and evaluating an International Trade Transaction (ITT) is emerging as the central element to rationalizing cumbersome trade procedures. The Working Party has developed a model of the ITT which helps to obtain the understanding and support at the ministerial level which is essential to address practical problems at operational levels.

41. Training materials on EDI and UN/EDIFACT, including an electronic book, have been developed in a joint project with ESCAP to be used for developing and transition economies.

42. The Internet World Wide Web has been used more and more for dissemination and exchange of information. The trade facilitation home page, TraFIX, (http://www.unicc.org/unece/trafix/) is increasingly consulted and a mirror site has been established by ESCAP (http://ecie.un.or.th/).

43. A new issue of Recommendation No.16 "LOCODE - Code for ports and other locations," was finalized and published.

44. In the area of data elements and automatic data interchange the development of UN/EDIFACT has continued at a fast pace. During 1996 the Working Party approved the UN/EDIFACT D.96A and D.96B directories.

45. In 1996 the Agricultural Standards Unit became fully integrated into the work of the Trade Facilitation Section. Despite difficulties caused by the departure of FAO staff, the Unit successfully held all meetings scheduled for 1996 (four Meetings of Experts, one Meeting of Rapporteurs and one Working Party session). The working relationship with the FAO Codex Alimentarius Commission has been intensified and is expected to bring fruitful results in the near future. Excellent relations continued with the OECD Scheme for the Application of International Standards for Fruit and Vegetables which publishes Explanatory Brochures based on UN/ECE Standards. Efforts have also been made to attract the more active participation of transition economies in the activities of the Working Party on Standardization of Perishable Produce and Quality Development.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

46. A major priority for the Trade Facilitation Section in 1997 will be to assist member States and technical experts in creating a smooth transition from the structures existing under WP.4 to the new structures to be created under CEFACT. The secretariat also places a great deal of importance on expanding existing cooperation with other organizations, in particular WTO,

the other regional commissions and UNCTAD. In addition, the secretariat must ensure that it provides continuing support to ongoing activities that large numbers of international trade participants depend upon, such as the maintenance of UN/EDIFACT.

47. One of the major goals for work in quality standards for agricultural produce will be to agree on a joint standard with the Codex Alimentarius Commission (FAO/WHO) for asparagus. This issue will be considered at a meeting in Mexico City in September 1997 and will hopefully result in the first global standard, based on the work of ECE. Other potential global standards, for example for citrus fruit, will also be discussed.

48. It is envisaged to hold training courses and seminars on the use of UN/ECE Standards and quality control in transition countries.

ECONOMIC ANALYSIS (Sub-programme 5)

I. HIGHLIGHTS OF 1996 ACTIVITIES

49. Preparation and publication of the Economic Survey of Europe and the Economic Bulletin for Europe remain the core activity of the Division for Economic Analysis and Projections and both publications continued to give particular emphasis to current economic developments and policy issues in the transition economies of eastern Europe and the countries of the former Soviet Union. The number of special studies of specific problems have been reduced because of staffing constraints but the latest edition of the Bulletin (Vol.48) contains an extended discussion of the issues surrounding the enlargement of the European Union to the transition countries, as well as a study of the re-emergence of trade among the east European economies. Until now both publications have been presented to the annual meetings of the Commission and the Senior Economic Advisers, who have discussed them in detail and made suggestions for future ideas, and the Bulletin to the Committee for the Development of Trade.

50. At their thirty-second session in June 1996, the Senior Economic Advisers organized a round table and an exchange of views on "improvement of the investment climate and the restructuring of industry in Europe: their impact on employment". The main conclusions of these debates were summarized in the report of the session. The Senior Economic Advisers also reviewed their on-going activities on medium- and long-term projections; international trade and structural change; structural changes in the ECE region and their impact on employment, labour productivity, working patterns and income distribution; and sustainable economic development. As part of the reforms in ECE, the Senior Economic Advisers will be suppressed and replaced by a one-day seminar which will take place the day before the opening of the annual meeting of the Commission.

51. Research into population issues has continued to focus on fertility, family and reproductive health, international migration and population ageing. Standard data sets have been prepared for three-quarters of the countries which conducted Fertility and Family Surveys (FFS) and the majority of these have been archived at the ECE. Arrangements for comparative research on

fertility, reproductive health and family behaviour have been agreed upon by countries participating in this project. The first FFS standard country report was published, and twelve more should appear in 1997. Two issues of the International Migration Bulletin were published in May and November 1996. A volume on international migration in eastern Europe and the CIS was published while a volume on international migration in Lithuania, Poland and Ukraine is due to be published in 1997. The work on population ageing in 1996 focused on the finalization of standard data sets of elderly persons for 14 countries. A plan for preparing country monographs based on these data has been agreed upon by participating countries.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

52. In 1997 the Survey and Bulletin will be produced in the normal way, but preparations will be made for the introduction of three issues of the *Survey* in 1998, one to constitute a mid-year review of developments in the region and another to replace the Bulletin.

53. The format and topics to be discussed at the seminar replacing the Senior Economic Advisers will be suggested by the Executive Secretary to an ad hoc informal meeting of the Commission in autumn 1997. In anticipation of the change, the 1997 annual session of the SEA has been cancelled.

54. As part of the reforms in ECE, Population Activities are maintained in the programme but with reduced resources. However, staff cannot be redeployed to other analytical activities because the current programme of work, agreed with and jointly financed by UNFPA, continues through 1999.

ENERGY (Sub-programme 6)

I. HIGHLIGHTS OF 1996 ACTIVITIES

55. Pursuant to decision H (51), activities on energy in 1996 can be summarized as follows.

56. Mobilization of private sector support to assist countries in transition through extra-budgetary activities such as the Gas Centre, Energy Efficiency 2000 Project and Clean Coal Implementation Programme: In 1996 companies, institutions and governments continued to provide strong support to the Gas Centre through financial contributions, secondment of experts and in-kind contributions. Four new companies joined the Centre in 1996, and a fifth is in the process of doing so. Two Global Environment Facility (GEF) funding proposals, developed under the auspices of the Energy Efficiency 2000 Project (EE 2000) and totalling approximately six million dollars, were approved by GEF for the cities of Vladimir (Russian Federation) and Gabrvo (Bulgaria). New financing, notably from the World Bank, was secured for energy efficiency projects and initiatives in Energy Efficiency Demonstration Zones. Two new donors provided contributions to the EE 2000 Project, which entered the last year of its second 3-year phase in 1996. A third 3-year phase is under development and resources are being mobilized for its implementation. A number of governments and companies pledged financial and in-kind support to

the Clean Coal Implementation Programme. However, more commitments will have to be secured for the programme to be successfully implemented.

57. Collaboration and cooperation with other regional institutions, subregional groupings and non-governmental organizations: See E/ECE/1349.

58. Development of international standards and norms: A United Nations Framework Classification for Solid Fuels and Mineral Commodities, for worldwide application, developed under the auspices of the Working Party on Coal, will assist transition countries, as well as other countries, to reassess their solid fuels and mineral deposits using market economy criteria. This classification will now be translated into five languages to encourage its worldwide use. A Trilingual Glossary on Natural Gas Resources was developed and published under the auspices of the Working Party on Gas. The joint study by EE 2000 and the EU's SAVE Programme on labeling and standards of refrigeration appliances in four transition countries was completed. Discussions are proceeding with EU's Save Programme to expand the study to more countries and more appliances.

59. Streamlining and consolidating the programme of work: At its session of November 1996, the Committee on Energy streamlined its programme of work as requested by the Commission. The number of programme elements was significantly reduced from 29 to 12. The Committee also put forth a suggestion to the Commission regarding consolidation of the intergovernmental bodies supporting ECE's work in the field of energy and this suggestion has been considered within the framework of the reform.

60. In addition to the above-mentioned categories of activities, surveys have been initiated by the Working Party on Gas on underground gas storage in the ECE region; an international map of natural gas fields in Europe; and gas interconnections in the ECE region.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

61. The year 1997 will be a transitional one for work in energy. By the end of the year the programme of work will be reoriented according to the reform package and the new intergovernmental structure put into place. Of particular importance will be the November session of the Committee on Energy, where it will have to develop and agree on the terms of reference and programme of work for its refocused activities under its new name, the Committee on Sustainable Energy. The Committee will also discuss the terms of reference and programme of work of the ad hoc Group of Experts on Coal and Thermal Power that it has been requested to establish as per the reform.

62. The Bureau of the Committee, in cooperation with the secretariat, will prepare a range of options to be presented to the Committee for consideration at its November session. Likewise, an effort will have to be made to broaden the representational base of the Committee to take account of the new orientations of the programme of work.

DEVELOPMENT OF INTERNATIONAL TRADE (Sub-programme 7)

I. HIGHLIGHTS OF 1996 ACTIVITIES

63. At its forty-fifth session, the Committee on the Development of Trade reviewed its activities over the past year and endorsed the reports of its two subsidiary bodies, the Working Party on Facilitation of International Trade Procedures (WP.4) and the Working Party on International Contract Practices in Industry (WP.5). The Working Party on Perishable Produce and Quality Development (WP.1) reported to the Committee for the first time.

64. The Committee unanimously supported the establishment of a Centre for Facilitation of Procedures and Practices for Administration, Commerce and Transport(CEFACT). The Centre was established by the Commission in February 1997 and it will start to function in March 1997.

65. In 1996 the ECE was granted observer status at the WTO Commission on Techncial Barriers to Trade.

66. As a follow-up to discussions at the round-table held in 1995, the secretariat undertook a study on the "Institutional, legal and business framework for developing more efficient systems to finance trade and promote more dynamic intraregional trade between ECE countries" which formed the basis for the 1996 round-table.

67. In 1996 the Working Party on International Contract Practices in Industry (WP.5) held an international Forum on creating viable real estate markets in central and eastern Europe and the CIS. It issued Guidelines addressed to member Governments based on papers submitted to the Forum by legal, financial and real estate experts and it agreed to establish a Real Estate Advisory Group to implement these Guidelines in the transition economies. It also approved a Guide on the adaptation of property laws in the transition economies.

68. The BOT Group was established in 1996 under the auspices of WP.5 and attracted leading experts from private companies and international organizations. The purpose of this Group was to prepare, under WP.5's auspices, Guidelines on attracting private investment into infrastructure and to hold consultative meetings with member Governments, the first of which was held in Budapest.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

69. At its annual session in December 1997 the renamed Committee for Trade, Industry and Enterprise Development will review its programme of work according to the reform package and the new intergovernmental structure. In particular, it will integrate the industry and enterprise development dimensions into its work. As part of this process, the Committee will create ad hoc groups of experts on the Chemical Industry and on Steel, and decide upon their respective terms of reference and programme of work on the basis of the proposals which will be made by the former Working Parties at their last meetings, scheduled for October 1997.

70. As requested by the Committee, the secretariat will discuss with WTO the recognition of ECE as an international body responsible for the elaboration of trade facilitation rules, with a view to obtaining observer status on relevant WTO bodies such as the General Council, the Council for Trade in Goods and the Council for Trade in Services.

71. In the period 1997-1998, the secretariat will prepare a study on "Evaluating the role and impact of norms, standards and regulations in international trade, in particular the economies in transition, both on global and sectoral levels".

72. In 1997, the BOT Group will finish its Guidelines and hold further workshop/consultations with interested Governments. It is expected that the Real Estate Advisory Group will be established and will organize at least one pilot project in a transition economy to encourage real estate privatization.

73. In June 1997, WP.5 will hold its next Forum on the Prospects for Promoting Foreign Direct Investment in the transition economies in conjunction with FIAS of the World Bank. The purpose of the event, which was requested by the Commission at its last session, is to prepare a set of benchmarkets of best practices in investment promotion which can guide policy makers in the transition economies.

74. In compliance with the ECE reform, the 1997 session of the Working Party on Technical Harmonization and Standardization Policies will be held under the aegis of the Committee for Trade, Industry and Enterprise Development. It will have before it proposals for further activities in the areas of harmonization, conformity assessment and quality as well as a draft ECE Intergovernmental Agreement on Technical Harmonization and Standardization Policies, which if adopted would strengthen the impact of relevant ECE recommendations and extend the applicability of WTO principles on technical barriers to ECE member countries not yet WTO members. Workshops will be organized in 1997 on metrology (Russian Federation), on quality (Hungary) and on conformity assessment (Cyprus).

III. ACTION FOR THE COMMISSION

75. The Commission may wish to invite ECOSOC to endorse ECE Recommendation No. 25 on the use of UN/EDIFACT as a UN Recommendation (as requested by the Committee on the Development of Trade).

INDUSTRY AND TECHNOLOGY (Sub-programme 8)

76. At their twenty-second session in September 1996, the Senior Advisers to ECE Governments on Science and Technology carried out a quadrennial review of major changes in overall national science and technology policies for which 26 ECE member countries had provided written contributions. They also considered the results of data collection on main science and technology indicator statistics received from 18 economies in transition. A forum discussion on administrative obstacles to international scientific cooperation was held during the session. The secretariat continued to maintain the inventory of existing safety guidelines in biotechnology and, acting as depository, now has

national submissions from 34 ECE Governments and three international organizations. A Seminar on State Policy in Economies in Transition Aimed at Promoting Innovation in Industry was held in Warsaw in June 1996.

77. At its sixth session in October 1996 the Working Party on the Chemical Industry evaluated progress made and future action to be taken in the regional programme Chemical Industry - Sustainable Economic and Ecological Development (CHEMISEED). It supported further work on the Pilot Project Demonstrating the Environmental Clean-up of Selected Sites Polluted by Chemicals, and the preparation of a Compendium of Clean-up Technologies, and included the preparation of a Workshop on Detection and Analysis of Polluted Soils in its programme of work. A round-table discussion on "Policies for Strategic Planning of R&D in the Chemical Industry", held during the Working Party session, was considered a useful tool for the exchange of views on crucial issues facing the chemical industry, and prompted a proposal from Poland to host a Seminar on Sustainable Development Perspectives in Chemical Research.

78. The Working Party has maintained close cooperation with the EC, which is financially supporting a major project, as well as with a number of other UN institutions and professional organizations, such as the European Council of the Chemical Industry (CEFIC) and private sector corporations.

79. The fourteenth session of the Working Party on Engineering Industries and Automation held in October/November 1996 reviewed the work accomplished since its thirteenth session in 1994. Annual sales publications on World Engineering Industries - Performance and Prospects and World Industrial Robots were published in 1995 and 1996. A second open-ended meeting of experts on robotics was held in Faverges (France) in September 1996.

80. At its sixth session in October 1996, the Working Party on Steel expressed its satisfaction with the quality of the steel statistical bulletins published in 1996, the steel market review and the study on Privatization and Changing Ownership in the Steel Industry. It emphasized the importance of the collection and analysis of data on global trade and consumption of steel scrap which was a question of great concern to most steel producers in the world and had consequences for trade relations between countries.

81. Within its regional programme on Metallurgy and Ecology, the Working Party on Steel agreed to convene a third Meeting of Experts on the Steel Industry and the Environment to make concrete proposals regarding the harmonization of regulations on the environment A Directory of Organizations dealing with the Steel Industry and the Environment was issued in 1996. The Working Party approved and adopted the recommendations of the Seminar on the Processing, Utilization and Disposal of Waste in the Steel Industry (Balatonszeplak, Hungary, June 1996).

82. At its fifty-first session the Commission adopted a revised title and new terms of reference for the Working Party on Technical Harmonization and Standardization Policies. The sixth session of the Working Party in May 1996 adopted revised versions of the ECE Recommendations on Technical Harmonization Policies and on Standardization Policies, both of which were published in

1996. A training workshop on metrology in Slovakia and a seminar on quality assurance in Romania were organized in 1996.

83. The Industry and Technology Division, which assumed a central role in preparing the Round Table Conference on Sustainable Industrial Development held during the fifty-first session of the Commission, has prepared a publication, to be issued in time for the fifty-second session of the Commission, which draws on the findings of the Round Table.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

84. Pursuant to the ECE reform, the Working Party on the Chemical Industry will hold its last session in October 1997 and will make proposals on the preparation of the terms of reference and programme of work of the ad hoc Group of Experts on the Chemical Industry, to be established by the Committee for Trade, Industry and Enterprise Development. The following activities will be considered in this context: Projects within the CHEMISEED Regional Programme; Pilot Project Demonstrating the Environmental Clean-up of Selected Sites Polluted by Chemicals; Compendium of Clean-up Technologies, to be published during 1997; CHEMLEX Comparative Database on Chemical Legislation, to be issued in early 1997 on CD-ROM in conjunction with the EC; The Chemical Industry - Annual Review; Annual Bulletin of Trade in Chemical Products; Seminar on Sustainable Development Perspectives in Chemical Research (Poland, October 1997); A Study on Trends in Structural and Ownership Changes in the Chemical Industry of Countries in Transition, to be published in early 1997; the Directory of Chemical Producers and Products, to be updated and issued in expanded form. A study tour in both Bulgaria and The former Yugoslav Republic of Macedonia is tentatively planned for June 1997.

85. As part of the reform, the Working Party on Engineering Industries and Automation has been abolished and a few issues in this area may be taken up by the Special Unit for Operational Activities, in the form of seminars or workshops. This would be the case for the seminar on statistical nomenclatures (April 1997)and a second workshop on SMEs (Kyrgyzstan, October 1997).

86. Pursuant to the ECE reform, the Working Party on Steel will hold its last session in October 1997 and will make proposals on the preparation of the terms of reference and programme of work of the ad hoc Group of Experts on Steel to be established by the Committee for Trade, Industry and Enterprise Development. The following activities will be considered in this context: Workshop on Reconversion Policies in Coal and Steel Producing Regions (Kazakstan); Study tour of the steel industry of the Republic of Korea; Conference on the Twenty-first Century Steel Industry of the Russian Federation and the CIS (Moscow, 9-11 June 1997); Study on the impact of new technologies on the restructuring of the steel industry, to be finalized in 1997; Seminar on New Clean Technologies in the Steel Industry (Austria, 1998); Publication on trends in the international steel market, bulletins of steel statistics for Europe and on world trade in steel, and the seventh biennial updating of the study on Iron and Steel Scrap.

TIMBER (Sub-programme 9)

I. HIGHLIGHTS OF 1996 ACTIVITIES

87. The Timber Committee continued to develop its role as the major forum at regional level for information on and analysis of the sustainable development of the forest and timber sector. European Timber Trends and Prospects: into the 21st century, a study of the long-term outlook for European wood supply and demand which was published in 1996, stimulated a wide-ranging debate, including a discussion of its policy implications, at the joint session of the Committee with the FAO European Forestry Commission, in September 1996.

88. Over the past year, the Committee's secretariat played a leading role in the Intersecretariat Working Group on Forest Sector Statistics, which coordinates the work of all international organizations, avoiding duplication by harmonizing activities and definitions. The Timber Committee considerably streamlined its programme, eliminating many programme elements, identifying core activities and decentralizing work methods.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

89. A major objective for 1997 is to plan and carry out the Temperate and Boreal Forest Resource Assessment 2000, which will address some major new aspects concerning biodiversity, protection and other non-wood services of the forest. In so doing the TBFRA will supply data on many of the indicators of sustainable forest management drawn up by the pan-European Helsinki miniterial process on the protection of forests in Europe. The results of the TBFRA, which is part of the Global FRA-2000, will be published just before the arrival of the third millennium.

HUMAN SETTLEMENTS (Sub-programme 10)

I. HIGHLIGHTS OF 1996 ACTIVITIES

90. Activities of the Committee on Human Settlements concentrated on finalizing its contribution to the Habitat II Conference, which included the submission of five publications and the convening of a Special Event at the Conference with the title "Housing Crisis in the Countries in Transition". The Committee also revised its structure and programme of work to streamline the programme elements in a more effective way. It decided to abolish the two Working Parties and rely more on task forces and meeting of experts to carry out its programme of work. A stronger role was given to the Committee's Bureau and approval was given to proceed with the establishment of an Advisory Board with the participation of the private and business sector.

II. OBJECTIVES AND EXPECTED OUTCOME FOR 1997

91. Emphasis of the Committee's activities will be on best practices and on monitoring the results of the implementation of human settlements policies on cadastre and land registration and on sustainable housing and urban planning. Country housing profiles will be examined with a view to determining the appropriateness of establishing this activity on a long term basis. It is expected that the advisory board will come into force before the end of 1997.